

1:30 pm - F
1/26/12

MEMORANDUM OF UNDERSTANDING
Between
THE CITY OF FRESNO,
THE CITY OF FRESNO AS SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF FRESNO
And
THE FRESNO REVITALIZATION CORPORATION

This Memorandum of Understanding ("MOU") is entered into this 17th day of Feb., 2012, by the CITY OF FRESNO, a municipal corporation ("City"), the CITY OF FRESNO AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO, a public agency created pursuant to Health & Safety Code section 34173 ("Successor Agency"), and the FRESNO REVITALIZATION CORPORATION, a California nonprofit public benefit corporation ("FRC").

WHEREAS, the Redevelopment Agency of the City of Fresno ("Agency") is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code section 33000 et seq. ("CRL")); and

WHEREAS, the City is a municipal corporation and charter city under the Constitution of the State of California; and

WHEREAS, the Successor Agency to the City of Fresno Redevelopment Agency is an entity created pursuant to Health & Safety Code section 34173 and by authorization of the City of Fresno; and

WHEREAS, the Fresno Revitalization Corporation is a California not-for-profit public benefit corporation; and

WHEREAS, on January 26, 2012, the City adopted Resolution No. 2012-12 ("Resolution"), in which it elected to serve as the Successor Agency to the Agency, to assume the housing functions of the Agency, provide for employment of former Agency employees, and approve this MOU; all recitals and findings of the Resolution are incorporated into this MOU; and

WHEREAS, under the Agency's current lease, the landlord consents to the Agency sharing or subleasing a part of the leased space to the Successor Agency and/or FRC; and

WHEREAS, the Parties intend that FRC shall occupy the space currently occupied by the Agency and shall reimburse Successor Agency therefor.

NOW THEREFORE, in consideration of the above recitals, which recitals are contractual in nature, the mutual covenants herein contained and such other and further consideration as is hereby acknowledged, the parties agree as follows:

1. RELATIONSHIP OF THE PARTIES. The parties to this MOU acknowledge that they are each separate legal entities. While maintaining their respective autonomy, the parties seek to cooperate in all actions necessary pursuant to Health & Safety Code Sections 34170-34191.

2. DELEGATION OF DUTIES TO FRC. FRC shall act as the agent of the Successor Agency in performing those actions delegated to it by the City and Successor Agency that are necessary for the dissolution and wind down of the affairs of the Agency as provided in the Resolution.

3. HOUSING FUNCTION. FRC shall act as the agent of the City and/or Successor Agency in performing those actions delegated to it that are associated with the housing activities of the Agency in accordance with Health & Safety Code Section 34176 (the "Housing Function").

4. FRC BUDGET. Successor Agency shall allocate to FRC for its use the amount of funds budgeted in the Administrative Cost Allowance for successor agencies pursuant to California Health & Safety Code section 34177, as well as all other funds legally available to the Successor Agency.

5. EMPLOYEES. FRC may hire its own employees or the Successor Agency shall delegate employees to FRC to perform the activities covered in this MOU, who shall serve under the full control and supervision of FRC, and FRC shall assume all rights and responsibilities for the employees, except as otherwise provided in the Resolution and this MOU.

As compensation for employee services rendered to FRC by any delegated employees, FRC shall reimburse the City and/or Successor Agency, as the case may be, on a monthly basis the sum of the City and/or Successor Agency salaries and other benefits and expenses directly incidental thereto. Delegated employees shall be compensated according to the terms and conditions of their employment with the Agency, as more fully set forth in the Resolution.

Not later than the twentieth day of each month during the term of this MOU, the City and/or Successor Agency shall provide FRC with a detailed accounting, satisfactory to FRC, as to the above salaries and other benefits and expenses directly relating to the Employees pursuant to this MOU.

6. DIRECTOR/PRESIDENT OF FRC. The Director of the Successor Agency, currently Marlene Murphey, shall serve as the Director/President ("Director") of FRC and shall operate under the direction of its Board of Directors; the Director shall be delegated the authority to oversee and administer all FRC employees and employees delegated to the FRC from the City and/or Successor Agency.

7. LEASE. As of February 1, 2012, the Successor Agency shall assume all rights and obligations under the current lease between the Agency and Roger K. Boman for the space located at 2344 Tulare Street, Suite 200. The Successor Agency shall make the premises as defined in the Lease available for the use of FRC and FRC will reimburse the Successor Agency for all actual costs incurred by Successor Agency under the terms of the Lease. A true and correct copy of the Lease is attached hereto as Exhibit "A." The Successor Agency reserves the right to reduce the leased space and cost therefor and/or terminate the lease in its discretion.

8. INDEMNITY. FRC agrees to indemnify, hold harmless and defend the City and Successor Agency from any liability, claims or damages arising from or related to the actions or omissions of FRC. FRC agrees to provide proof of liability, errors and omissions, and property insurance in the form and amounts required by the City's Risk Manager. Liability is to be limited as provided in Health & Safety Code section 34172(e), with no liability exposure to the City's General Fund, Risk Fund, or any other funds or assets of the City or its employees.

9. EXISTING ASSETS AND LIABILITIES OF FRC. Any existing assets or liabilities of FRC prior to the effective date of this MOU shall be maintained separate of any assets or liabilities taken on by FRC as a result of this MOU.

10. MEETINGS. FRC shall hold regular public meetings as necessary coinciding with the regular meetings of the Fresno City Council. FRC shall, in all respects, comply with the Ralph M. Brown Act.

11. ENTIRE MOU. It is mutually understood and agreed that the foregoing constitutes the entire MOU between the parties. Any modifications or amendments to this MOU must be in writing signed by an authorized agent of each party. This MOU shall extinguish any and all existing agreements or MOUs between the Agency and FRC where the terms of those agreements may be contrary to the terms of this MOU.

12. INCORPORATION OF TERMS. All other terms and conditions of the Resolution shall be incorporated into and made a part of this MOU.

13. EFFECTIVE DATE. This MOU shall become effective upon execution by appropriate officers of the City, Successor Agency, and FRC, but shall in no event become effective before the date of dissolution of the Agency. This MOU shall remain in full force and effect until terminated by any party upon thirty (30) days' notice, subject to repayment of any indebtedness incurred hereunder.

IN WITNESS WHEREOF, the parties have caused their authorized agents to execute this MOU as of the date first set forth above.

CITY OF FRESNO, a municipal corporation

By: Mark Scott
Mark Scott, City Manager

Date: 2-15-12

FRESNO REVITALIZATION
CORPORATION, a California nonprofit
corporation

By: Marlene Murphy
Name: Marlene Murphy

Title: Executive Director

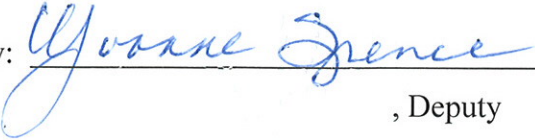
Date: 2-17-12

CITY OF FRESNO AS SUCCESSOR
AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF FRESNO, a
public agency

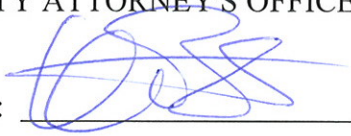
By: Marlene Murphy
Marlene Murphy, Director

Date: 2-17-12

ATTEST
YVONNE SPENCE, CMC
City Clerk

By: , Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

By: 
Katherine B. Doerr, Senior Deputy

Attachment: Exhibit "A" - Lease

KBD:prn [57915prn/kbd] 01-25-12

1:30pm "F"
1/26/12

Presented to City Council
Date 1/26/12
Disposition Adopted

DATE: January 26, 2012

TO: Redevelopment Agency Board/City Council

FROM: Oliver Baines, Redevelopment Agency Chair/Council District 3
Larry Westerlund, Redevelopment Agency Vice-Chair/Council District 4
Lee Brand, Redevelopment Agency Board Member/Council District 6

SUBJECT: RESOLUTION – (1) Electing to have the City serve as the Successor Agency to the Redevelopment Agency; (2) electing to retain the housing assets and housing functions previously performed by the Agency; (3) providing for the orderly transition of employees of the Agency; and (4) approving a Memorandum of Understanding with the Fresno Revitalization Corporation
(Council Action)

RECOMMENDATION

The Redevelopment Agency Subcommittee recommends the following actions:

Adopt a Resolution to: (1) Electing to have the City serve as the Successor Agency to the Redevelopment Agency; (2) electing to retain the housing assets and housing functions previously performed by the Agency; (3) providing for the orderly transition of employees of the Agency; and (4) approving a Memorandum of Understanding with the Fresno Revitalization Corporation

EXECUTIVE SUMMARY

Pursuant to the Subcommittee's direction, this packet contains a resolution to formally approve the City as Successor Agency and satisfy the housing functions, as well as all related documents to implement formal direction. Also included is a Memorandum of Understanding (MOU) with Fresno Revitalization Corporation (FRC) to cover corporate documents, disclosures, notices, legal compliance and the transition of employees.

BACKGROUND

On December 29, 2011 the California Supreme Court issued a decision in the case entitled Community Redevelopment Association et al. v. Ana Matosantos (S194861). The Court upheld AB1x26, the redevelopment elimination bill and struck down AB1x27, the bill that would have allowed redevelopment agencies to remain in operation as long as they made a payment to the state. As a result, the Fresno Redevelopment Agency will be dissolved on February 1, 2012.

The Dissolution Act provides that the community that established the Redevelopment Agency (i.e. City of Fresno) will be the Successor Agency to the former Redevelopment Agency. If the City elects not to serve as the Successor Agency, the first other Taxing Entity making proper election will be designated as the Successor Agency.

The Successor Agency, under the direction of an Oversight Board and the Department of

Finance, is responsible for winding up the redevelopment agency's obligations contained within the Enforceable Obligations Payment Schedule (EOPS) and the disposition of assets. Enforceable obligations include payments for outstanding bonds and loans, payments required by federal or state government, employee pension obligations, judgments and settlements, legally binding and enforceable agreements or contracts including those for administration or operations subject to approval of the Oversight Board and DOF.

Successor Agency

The following is applicable to the Successor Agency and all actions are subject to the review and approval of the Oversight Board and DOF:

- Continue to make payments due for enforceable obligations.
- Perform obligations pursuant to enforceable obligations.
- Dispose of assets and properties of the former redevelopment agency as directed by the oversight board. The disposal is to be done expeditiously and in a manner aimed at maximizing value. Proceeds from asset sales and related funds that are no longer needed for approved development projects or to otherwise wind down the affairs of the agency, each as determined by the oversight board, shall be transferred to the county auditor-controller for distribution as property tax proceeds.
- Remit unencumbered balances of redevelopment agency funds to the county auditor-controller for distribution to the taxing entities, including, but not limited to, the unencumbered balance of the Low and Moderate Income Housing Fund of a former redevelopment agency. In making the distribution, the county auditor-controller shall utilize the same methodology for allocation and distribution of property tax revenues provided in Section 34188.
- Enforce all former redevelopment agency rights for the benefit of the taxing entities, including, but not limited to, continuing to collect loans, rents, and other revenues that were due to the redevelopment agency.
- Prepare a recognized obligation payment schedule for enforceable obligations of the former Agency.

Discussion

The Successor Agency will have the ability to:

- Advocate for the retention, continuation, and /or completion of certain projects as development projects and present facts relative to maximizing value versus the liquidation and disposal assets, properties and/or projects.
- Provide information, input and recommendations in the form of oral and written presentations, correspondences and reports.
- Advocate for the retention and/or completion of certain grants.
- Advocate for the establishment of a reserve account for shortfalls for liabilities (current and future) and contingency costs.
- Performs monitoring and/or compliance roles for covenants for completed projects.
- Performs oversight role for project completion with enforceable obligations.

The Successor Agency will play a key day-to-day role in assuring that the existing obligations and debt of the former Redevelopment Agency are properly paid, and that the

former Redevelopment Agency's properties and other assets are disposed of in an appropriate manner. The Successor Agency will have a strong role in implementing actions to achieve the Enforceable Obligations and presenting the relationship between the Enforceable Obligations and the long term goals and benefits for the community. The Enforceable Obligation schedule represents debt including that between the City and agency, contracts with our private sector partners and assets totaling over \$95 million. Subject to AB1x 26 the City has a significant investment and interest in the completion of projects and disposition of assets.

If the City elects not to serve this role, the Successor Agency may be another Entity with less experience in redevelopment financial and land disposition matters and less familiarity with Agency assets and maximization of value in asset disposition

As the wind-down process occurs, there may be exposure to legal liability from potential termination of contracts and other matters. Additionally there could be liability to labor and employment laws. The MOU with the FRC as proposed in this packet will help insulate potential liability of the SA and or City and its general fund relative to: potential future litigation, judgment and settlement costs and shortfall in reserves set aside for liabilities (current and future). The MOU provides that the FRC will carry liability insurance to the satisfaction of the City's Risk Manager.

The FRC, a non-profit public benefit corporation, was established in the early 90's to assist redevelopment. The MOU provides for the FRC, governed by a board consisting of the City Council and Mayor, to function on behalf of the SA thus enabling Council to directly participate in the wind-down activities.

The Successor Agency, an entity governed by the Oversight Board, is a distinct and separate legal entity. The Successor Agency may employ former Agency employees without regard to existing City unions or MOU's and contract out those employees to the FRC. This structure is reflected in the MOU and Resolution with advantages that include:

- Union MOU and civil service rules do not apply, lessening legal risk and streamlining the transition process; will also streamline the wind down process as fewer employees are necessary;
- Agency employees may retain their participation in CalPers, as opposed to becoming temporary City employees or direct nonprofit employees (to be confirmed by the Executive Director of the RDA)
- Participation in the City Health and Welfare Trust, pending Health and Welfare Board approval, may continue without lapse or additional cost (to be confirmed by the Executive Director of the RDA).
- Greater degree of certainty as of Council consideration, as opposed to providing that the employees be deemed temporary City employees first, prior to completion of a meet and confer process and attempt to make them permanent City employees.

The Fresno Revitalization Corporation (FRC) Successor Agency as proposed will help insulate potential liability of the Successor Agency and the City's general fund relative to: The FRC, a 501 (c)(3) entity, carries liability insurance.

Budget

The Successor Agency prepares an Administrative Budget subject to the approval of the Oversight Board. The Administrative cost allowance" is an amount that, subject to the approval of the oversight board, is payable from property tax revenues of up to 5 percent of the property tax allocated to the successor agency for the 2011-12 fiscal year and up to 3 percent of the property tax allocated to the Redevelopment Obligation Retirement Fund money that is allocated to the successor agency for each fiscal year thereafter; provided, however, that the amount shall not be less than two hundred fifty thousand dollars (\$250,000) for any fiscal year or such lesser amount as agreed to by the successor agency."

Oversight Board

Ab1x26 requires that an Oversight Board be appointed and members report to the DOF on or before May 1 2012. If positions on the Oversight Board are not filled by May 15, 2012, then the Governor will make the appointment. The Oversight will supervise the wind-up activities of Successor Agency and have "fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues."

The Board will consist of 7 members, appointed as follows:

- a. 1 by the County Board of Supervisors;
- b. 1 by the Mayor;
- c. 1 by the largest special district in terms of property tax share;
- d. 1 by the County Superintendent of Education;
- e. 1 by the Chancellor of California Community Colleges;
- f. 1 member of the public appointed by the County Board of Supervisors;
- g. 1 by the Mayor to represent the employees of the former Agency from among recognized employee organization representing the largest number of former Agency employees employed by the successor agency (City) at that time.

The Oversight Board directs the Successor Agency activities including these:

- Dispose of all assets and properties of the former redevelopment agency that were funded by tax increment revenues of the dissolved redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose to the appropriate public jurisdiction.
- Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.
- Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of such agreements where it finds that amendments or early termination would be in the best

interests of the taxing entities.

The powers of the Oversight Board include, but are not limited to:

- Direct the staff of the Successor Agency to perform the work in furtherance of the Board's duties and responsibilities.
- Approving new repayment terms for outstanding loans where terms have not been specified.
- Issuance of refunding bonds in order to provide for savings or to finance debt service.
- Approving disposal of all assets and properties of the Oversight board may direct the Successor Agency to transfer ownership of assets used for a governmental purpose, such as roads, schools, parks and fire stations, to the appropriate public jurisdiction for compensation as determined by the agreement relating to the construction or use of the asset.
- Establishing reserves as required by indentures, trust indentures or similar documents governing the issuance of outstanding redevelopment agency bonds.
- Continuing the acceptance of grants if they require a match of more than five percent.
- Approving the ROPS. The ROPS will need to be submitted to the State Controller and Department of Finance by April 15, 2012, which is prior to the May 1, 2012 date for Oversight Board formation. The statute is silent if the approval time will be three (3) business days.
- Ceasing and terminating all existing agreements that do not qualify as Enforceable Obligations.
- Re-negotiating or terminating contracts with third parties to reduce liabilities or increase net revenues. This may include payments or remediation as necessary.

The Oversight Board may not enter into new contracts for any new economic development projects that are not included on the approved Enforceable Obligations list.

All actions of the Oversight Board may be reviewed by the DOF. The DOF will have three days from the dates of the Oversight Board action to request a review and 10- days to approve the action or return it to the Oversight Board for reconsideration. This final action must be approved the DOF.

ATTACHMENTS:

- Council Resolution
- Memorandum of Understanding

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL: (1) ELECTING TO HAVE THE CITY SERVE AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO PURSUANT TO CALIFORNIA HEALTH & SAFETY CODE SECTION 34173; (2) ELECTING TO RETAIN THE HOUSING ASSETS AND HOUSING FUNCTIONS PREVIOUSLY PERFORMED BY THE AGENCY PURSUANT TO HEALTH & SAFETY CODE SECTION 34176; (3) PROVIDING FOR THE ORDERLY TRANSITION OF EMPLOYEES OF THE AGENCY; AND (4) APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE FRESNO REVITALIZATION CORPORATION

WHEREAS, the Redevelopment Agency of the City of Fresno ("Agency") is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code section 33000 et seq. ("CRL")); and

WHEREAS, the City of Fresno is a municipal corporation and charter city under the Constitution of the State of California ("City"); and

WHEREAS, on December 29, 2011, in *California Redevelopment Association v. Matosantos*, Case No. S194861 ("*Matosantos*"), the California Supreme Court upheld AB x1 26, which dissolves all of the redevelopment agencies in California, and struck down AB x1 27, which would have allowed redevelopment agencies to remain in existence if they opted in to the "Voluntary Alternative Redevelopment Program"; and

WHEREAS, pursuant to Health & Safety Code section 34173(d)(1), the City wishes to express its intention to serve as the Successor Agency to the Agency; and

WHEREAS, pursuant to Health & Safety Code section 34176, the City wishes to express its intention to assume all rights, powers, assets, liabilities, duties and obligations associated with the housing activities of the Agency; and

WHEREAS, pursuant to AB x1 26, with certain dates amended by *Matosantos*, it currently appears that as of February 1, 2012, the Agency will be dissolved; and

WHEREAS, it is the desire of the City, ~~as a~~ and Successor Agency, to ensure the orderly and effective transition and wind down of Agency obligations and assets as directed by AB x1 26; and

WHEREAS, the Council believes it is in the best interests of the City and ~~City as~~ Successor Agency to utilize and benefit from the years of knowledge, experience, and skill of Agency employees during the transition and wind down; and

WHEREAS, the Successor Agency shall be deemed a distinct legal entity for labor and employment purposes; and

WHEREAS, the Council desires that Agency employees remaining employed by the Agency as of close of business on the day prior to the date of dissolution of the Agency become City or Successor Agency employees the following day, so that they may remain together as a functional unit to perform the necessary functions during the transition, wind down, and the former Agency housing functions, including, for example, transitioning records and funds to the City and Successor Agency, preparing mandated reports, fulfilling contractual obligations, advocating for pending projects, responding to requests for information and audits, and monitoring litigation; and

WHEREAS, the Council is concerned that despite Health & Safety Code section 34172(e), there is the potential for substantial additional liability to the City during the wind down process, so that contracting with a distinct and separate entity to perform certain functions, with provisions for liability limitations and indemnity, is in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Fresno as follows:

1. The above recitals are true and correct and are adopted as the findings of the Council.
2. The Council hereby affirmatively elects pursuant to Health & Safety Code section 34173(d)(1) to serve as the Successor Agency to the Redevelopment Agency of the City of Fresno; this election shall become effective upon the dissolution of the Agency; this election is expressly conditioned upon liability of the City and/or Successor Agency being limited as provided in Health & Safety Code section 34172(e), with no liability exposure to the City's General Fund, Risk Fund, or any other funds or assets of the City or its employees.
3. The Council hereby elects to assume all rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the Agency in accordance with Health & Safety Code section 34176; this election shall become effective upon the dissolution of the Agency.
4. Pursuant to Health & Safety Code sections 34170 – 34178 ~~the authority of City of Fresno Charter section 801,~~ there shall be created and maintained until further Council direction an entity City division known as the "Successor Agency to the Redevelopment Agency of the City of Fresno," ("Successor Agency"), which shall be staffed as provided in this Resolution and assigned those obligations and duties as provided in this Resolution wherein the City has assumed the Successor Agency and Housing obligations and duties.
5. As of the date of dissolution of the Agency, the ~~City as~~ Successor Agency shall create and administer the Redevelopment Obligation Retirement Fund, pursuant to Cal. Health &

Safety Code section 34170.5. These funds shall not be commingled with City funds or any other funds.

6. The Executive Director of the Agency is currently a City employee, filling the role as an Agency employee, and it is Council's desire that her written contract terms shall be recognized and followed by the City and/or Successor Agency, and she shall continue to serve as an employee of the City in the capacity of the Director of the ~~Successor Agency~~ to ensure the orderly and effective wind down of Agency business and former Agency housing functions; and

7. Employees of the Agency remaining as of close of business on the date prior to dissolution of the Agency ("Agency Employees"), currently anticipated to be January 31, 2012, shall become ~~temporary~~ employees of the Successor Agency ~~City~~ the following day, currently anticipated to be February 1, 2012, upon essentially the same terms and conditions, or as closely as possible as their former Agency terms and conditions, and ~~subject to applicable City employee collective bargaining agreements and/or civil service rules; City and Successor Agency staff~~ are directed to cooperate and take all necessary actions so that employee positions shall be created to mirror, as closely as possible, the positions and functions of the former Agency Employees upon becoming City Successor Agency employees pursuant to this Resolution; if for any reason the Successor Agency is not able to employ any of the former employees as of the date of dissolution of the Agency, then those employees shall be offered positions with the Fresno Revitalization Corporation ("FRC"), as provided in a Memorandum of Understanding with FRC, these temporary City employees shall be offered positions as regular City employees, filling the same positions and functions, as soon as permitted under City employee collective bargaining agreements and/or civil service rules. This section shall not be construed as limiting the ability of any current or former Agency employee to apply for and/or fill any other position with the City that shall be available in any capacity.

8. Funding for employee costs of the City and/or Successor Agency dedicated to the Successor Agency shall be solely from available Redevelopment Agency funds, enforceable obligation project funds, and/or the "Administrative Cost Allowance" provided in Health & Safety Code section 34171(b); if for any reason funds are not then currently available to fund current employee costs, then the City may advance sufficient funds to cover those costs, with the approval of the City Manager; any such advance shall be considered a temporary loan, and shall be repaid at the first available opportunity and bear interest at the legal rate; any such advance made, and then the status of any outstanding balances, shall be reported to the Council on a monthly basis.

9. The City Attorney shall serve as the attorney for the ~~City as Successor Agency~~, the Fresno Revitalization Corporation, and the Oversight Board, unless and until such time as the Oversight Board may designate a replacement attorney for the Oversight Board.

10. The City Clerk shall serve as the clerk for the ~~City as Successor Agency~~, the Fresno Revitalization Corporation, and the Oversight Board, unless and until such time as the Oversight Board may designate a replacement clerk for the Oversight Board.

11. The Successor Agency, Fresno Revitalization Corporation, and Oversight Board, as the case may be, shall reimburse the City at the normal interdepartmental rates for the services and costs of the City Attorney, City Clerk, and all other employees and services provided by the City to or on their behalf, except for the elected officials or appointed members of the Oversight Board.

12. The Council hereby approves the attached Memorandum of Understanding ("MOU") between the City, the ~~City as Successor Agency~~, and the Fresno Revitalization Corporation, a California not-for-profit public benefit corporation (~~"FRC"~~), related to dissolution and wind down of Agency business. The MOU shall be deemed effective if and when the Fresno Revitalization Corporation shall have amended its Bylaws to designate that its Board of Directors shall consist of eight (8) ex officio members composed of the Councilmembers and Mayor of the City, and then that new board shall have approved the MOU. If for any reason the conditions of approval of the MOU provided herein shall not have been met, or if the Oversight Board shall disapprove the MOU, then the remaining terms of this Resolution shall continue to be effective without reference to the MOU.

13. The respective roles and authority of the City, ~~City as Successor Agency~~, and FRC shall be as follows:

a. The City, and ~~City as Successor Agency~~, the latter of which is subject to the authority of the Oversight Board, as well, as the case may be, shall retain authority for legislative decisions during the Agency wind down process; legislative decisions shall include, by way of example, entering into contracts, terminating contracts, controlling litigation, and modifying the terms of the relationship between and among them and FRC;

b. FRC shall be delegated all wind down and former Agency housing functions that are not legislative decisions. The delegated functions shall include, by way of example: day-to-day operation of Successor Agency wind down and former Agency housing functions; implementing approved contracts; supplying information to the City, Oversight Board, County Controller, and State Department of Finance; accounting for former Agency, Successor Agency, former Agency housing funds, and FRC funds; obtaining appraisals, engineering, environmental, legal, and other necessary consulting services; providing reports of Successor Agency finances and project status; providing all required reports

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and notices to the Oversight Board, County Controller, and State Department of Finance concerning the Agency wind down and former Agency housing functions; arranging for meetings of the Oversight Board.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO)
CITY OF FRESNO)

I, YVONNE SPENCE, CMC, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting held on the _____ day of _____, 2012.

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Approval: _____, 2012

Mayor Approval/No Return: _____, 2012

Mayor Veto: _____, 2012

Council Override Vote: _____, 2012

YVONNE SPENCE, CMC
City Clerk

By 
Deputy

APPROVED AS TO FORM

JAMES C. SANCHEZ
City Attorney

By _____
Katherine B. Doerr, Senior Deputy

| KBD:ns,pm [57833ns/reso]- 1/235/12

January 27, 2012

TO: MAYOR ASHLEY SWEARENGIN

FROM: YVONNE SPENCE, CMC
City Clerk

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

RECEIVED

2012 JAN 30 PM 2:44

2012 JAN 30 PM 2:51

CITY CLERK, FRESNO CA

Council Adoption: 01/26/12

Mayor Approval:

Mayor Veto:

Override Request:

At the Council meeting of 01/26/12, Council adopted the attached Resolution No. 2012- 12, entitled **having City serve as successor agency to RDA, etc.**, Item No. 1:30 F, by the following vote:

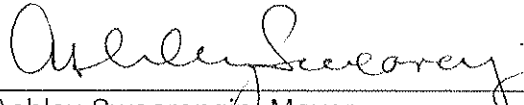
Ayes	:	Baines, Borgeas, Brand, Westerlund, Xiong, Olivier
Noes	:	None
Absent	:	Quintero
Abstain	:	None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk's office on or before February 6, 2012. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk's office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor's signed approval.

Thank you.

✓ **APPROVED:**

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)


Ashley Swearengin, Mayor

Date: 1/30/12

COUNCIL OVERRIDE ACTION:

Date: _____

Ayes	:
Noes	:
Absent	:
Abstain	: